Parliamentary Assembly
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COUNCIL OF EUROPE
CONSEIL DE L'EUROPE

Recommendation 450 (1966)[1]

European economic problems

Parliamentary Assembly

The Assembly,

1. Noting that, while the rate of economic expansion of the member countries of OECD taken as a whole between 1960 and 1965 has been slightly higher than that necessary to attain the growth of 50% aimed at for 1970 and future growth prospects appear relatively satisfactory, it is becoming increasingly difficult, as illustrated in the three country studies appended to the report of the Economic Committee, to maintain expansion under conditions of financial stability, inflationary tendencies being apparent in several countries and insufficient growth in certain others ;

2. Emphasising the importance of concerted long-term action in this respect on the part of the member Governments of OECD by appropriately combining budgetary, monetary and political measures in regard to income and prices, and structural reform ;

3. Conscious of the value of OECD as an Atlantic intergovernmental forum in which member Governments can compare their opinions and experience on economic policy, international trade and aid to developing countries, but at the same time expressing concern at the fact that the problems raised by trade between developed and developing countries have not progressed beyond the stage of being examined ;

4. Re-affirming the importance which it attaches to the success of the Kennedy Round which provides an opportunity for establishing trade relations between Europe and other regions on a stable liberal basis and which can also contribute to some extent to reducing the effects of the division of Western Europe into two economic blocs ;

5. Aware, nevertheless, that suitable means of terminating this division of Western Europe into two economic entities should primarily be sought and applied within the framework of GATT and of intra-European economic relations ;

6. Noting with pleasure the steps taken and efforts being made by EFTA to extend its field of application and to ensure that its member countries take more highly concerted economic decisions ;

7. Earnestly hoping that present efforts to overcome the difficulties encountered by EEC may soon be crowned with success ;

8. Hoping, furthermore, that the internal development of EEC and EFTA will be directed in such a way as to facilitate closer co-operation between them ;

9. Heedful of the fact that the way in which these two Groups adapt themselves to the necessary changes will indicate the like-lihood of a European agreement being reached that will end the present economic division of Western Europe and thereby improve the prospects of the unification of Europe ;

10. More than ever convinced in the present economic situation of the determining role that the Council of Europe can play in the harmonious development of Atlantic and intra-European economic relations,

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1. Assembly debates on 25th and 26th January 1966 (19th, 20th and 21st Sittings) (see Doc. 2015, report of the Economic Committee). Text adopted by the Assembly on 26th January 1966 (21st Sitting).

11. Recommends the Committee of Ministers :

a. to put to good account the governmental discussions within the OECD ad hoc Working Party on the United Nations Conference on Trade and Development to adopt a concerted European policy ;

b. to urge member Governments to take all effective measures at national level and in the closest collaboration within the existing international organisations, to maintain economic growth and stability of the general price level under conditions of ex-ternal financial equilibrium ;

c. to give particular attention to the continuation of the work of the Co-ordinating Committee of the Representatives of the Six at Geneva and their conversations with the other Members of GATT until political conditions make it possible to enter upon the final phase of the Kennedy negotiations ;

d. to continue to carry out the Council of Europe intergovernmental work programme in order to foster the movement towards European unification, bearing in mind the views expressed in the present Recommendation,